IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
FARAD CONTINUATION SHEET
CIVIL APPLICATION NO.1775 OF 2003
IN
FIRST APPEAL ST.NO.22199 OF 2001

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Office Notes,Office memorandum of Coram, appearances,Court's orders or directions & Registrar's orders.	Court's or Judge's orders

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CORAM: A.S.OKA, J.
DATE:SEPTEMBER 3, 2004.

P.C.:

1. Heard learned A.G.P. and Shri Vaidya for the Respondents. Civil Application is strongly opposed by the learned Counsel for the Respondents. Sufficient cause is made out. Civil Application is allowed in terms of prayer clause (a).

2. Shri Vaidya learned Counsel for the Respondents brought to my notice that the Award has been made on 1st January 2001 and the amount as per the Award is not yet deposited in the Trial Court. The learned A.G.P. contended that the acquisition has been made for the benefit of Konkan Railway and therefore the amount is not deposited. At this stage I am not deciding the said contention as Appeal is

yet to be admitted and no ad-interim order has been passed on Application for stay.

3. From June 2004, I have dealt with several of Appeals preferred by the State Government challenging the Awards made under Section 18 of Land Acquisition Act, 1894. In almost all the matters I found that for years together the Awards made under Section 18 of the said Act are not complied with. In almost all the Awards which are passed after coming into force of 1984 Amendment to the Land Acquisition Act, 1894, interest at rate of 15% p.a. is awarded in favour of the Claimants. As a result of failure of the State Government to deposit the amount as per the Awards, interest at the rate of 15% p.a. starts running against the State Government not only from the date of Award of the Reference Court but from expiry of period of one year from the date on which the possession of acquired land is taken over. As a result of tendency on the part of Special Land Acquisition Officers and concerned Collectors of not depositing the amount as per the Awards in the Reference

Court, lakhs of rupees are required to be paid by the State Government as interest. It is a matter of common knowledge that investment in any Government security does not fetch interest of more than @ 9.5% p.a. After deposit of the amount in the Reference Court, the State Government can always apply for grant of stay for a reasonable time to move this Court by preferring an Appeal. After deposit of the amount with intimation to the claimant, the interest @ 15% will stop running However, I find that awards are not complied with for several months and interest @ 15% p.a. is required to be paid by the State Government.

3. The Registrar (Judicial-I) to forward a copy of this order to the Chief Secretary, State of Maharashtra.

Judge.